

DEPOSITORY PLEDGE AGREEMENT

This Agreement was effective on _____ between the United States Trustee Region V ("UST") and _____ ("the Bank").

WITNESSETH:

WHEREAS, the Bank maintains or desires to maintain deposits of bankruptcy estate funds belonging to debtors whose cases are under the jurisdiction of the U. S. Bankruptcy Court for the _____ District of _____ or deposit of estate funds by trustees appointed or elected for cases pending in the _____ District of _____ under Title 11 U. S. C. (hereinafter "Trustee")¹;

In consideration of the foregoing and of the mutual covenants herein contained, it is agreed that:

1. The Bank warrants that it is the legal and actual owner, free and clear of all liens and claims, of the securities pledged or to be pledged pursuant to this agreement (hereinafter referred to as the "pledged securities").

2. The Bank grants to the UST a security interest in, and pledges to the UST, the pledged securities as collateral for repayment of deposits of any bankruptcy estate funds made. In the event that the bankruptcy estate funds are withdrawn from the Bank, the UST shall release the security interest in the pledged securities in the dollar amount necessary to reduce the total amount of pledged securities to the amount of required collateral² and will authorize the Federal Reserve Bank (the "FRB") to release and deliver these pledged securities to the Bank. In the event that additional bankruptcy estate funds are deposited with the Bank, the Bank shall deliver to the FRB additional pledged securities in the dollar amount necessary to raise the total dollar amount of pledged securities to an amount greater than or equal to the amount of required collateral. Any provision of the Agreement that refers to the dollar amount of pledged securities shall mean the par value. The Bank should not wait for notification by the United States Trustee to make this pledge. Form § 202X Application to the Federal Reserve Bank for the Holding of Securities in Joint Safekeeping-Treasury Circular 154 should be used when initially pledging a security.

3. The Bank may substitute securities of which it is the legal and actual owner, free and clear of all liens and claims, for all or any part of the pledged securities so long as such substitute securities are acceptable to the UST and in accordance with paragraph 12. Form § 201X Request

¹Trustee includes chapter 7, 11, 12 and 13 trustees.

²The amount of required collateral equals the deposit balance less \$100,000 FDIC insurance times 120%.

for Substitution of Non U. S. Government or Agency Securities and/or Immediate Withdrawal of any Securities Held by the Federal Reserve Bank Joint Safekeeping-Treasury Circular 154 is used when there is:

- a reduction of collateral of a security that has already been pledged.
- a substitution of security of an equal or greater value than that currently pledged.
- a withdrawal of any security pledged to the United States Trustee.

After receipt of a substitution from the FRB, the UST may object to the substitution, and may in his/her sole discretion, require that the substitution be rescinded. In such event, the Bank agrees to withdraw the securities and to substitute other securities acceptable to the UST.

4. At all times during which this Agreement is in effect, the dollar amount of the pledged securities shall be greater than or equal to the amount of required collateral. Should the dollar amount of the pledged securities at any time fall below the amount of required collateral, the Bank shall cure such deficiency within two (2) business days by delivering to the FRB additional pledged securities in the dollar amount of not less than any such deficiency.

The Bank shall furnish the UST with a duplicate original statement or report of bank account balances, on a monthly basis, for each account of a Trustee or of a debtor in possession held by the Bank. The statement or report is to be provided to the UST at the appropriate address listed on attachment #2 to the attention of the party handling authorized depository agreements within 10 days of the close of the monthly accounting period of each account. This statement or report is in addition to any statement sent to the Trustee. The statement or report shall include all bankruptcy estate funds on deposit in, checking accounts, savings accounts, CD's and show, at a minimum, the account name (including the name of the trustee if any, the name of the debtor(s) and the case number), account number, accounting period, month end account balance, average monthly available balance, and shall designate the pledged securities. All Chapter 7 bankruptcy accounts should be reported until there is a zero balance. Chapter 11 accounts should be reported until the case is confirmed, dismissed or converted. Chapter 12 and 13 accounts should be reported until closed.

5. If the Bank fails to pay bankruptcy estate funds which are on deposit in accordance with the terms of such deposit; or if the Bank fails or suspends active operations, the deposit shall become due and payable immediately, and the UST shall have the right to unilaterally demand delivery of all pledged securities. The UST shall have the right to sell the pledged securities at any public or private sale at his/her option without advertising such sale, upon not less than three (3) business days notice to the Bank and FRB. In the event of such sale, the UST after deducting all expenses and other costs, including reasonable attorney's fees, from the proceeds of such sale, shall apply the remainder to any one or more of the liabilities of the Bank to bankruptcy estates and shall return the surplus, if any, to the Bank.

6. The Bank shall release any and all information pertaining to bank accounts, deposits, instruments, transactions, and withdrawals of funds entrusted or appertaining to the Trustee, to the UST or his designee in the performance of their official duties and will honor the Trustee's "Authorization for the Release of Information". The UST shall have the right to request the

Bank to freeze any or all Trustee bankruptcy case accounts.

7. The Bank shall provide further information including but not limited to, copies of statements, deposits slips, checks and account agreements as the UST may from time to time require in his or her official duties, at no cost to the UST.

8. For any account established by a Chapter 7 Trustee, the Bank shall waive any and all service, analysis and/or bank charges or fees and fees for printed checks. Normal bank charges may be imposed upon Chapter 11 debtor in possession (DIP) accounts, Chapter 12 Trustee accounts and Chapter 13 Trustee accounts.

The Bank hereby certifies and agrees, from time to time, to further certify that the Trustee receives no personal benefit or favorable treatment from the Bank on non-trustee related business because of the Trustee's bankruptcy account(s).

9. This Agreement shall be binding upon the Bank and the UST and their respective successors and assigns.

10. Pursuant to 12 U.S.C. § 1823(e)(3),(4), the Bank represents and warrants that the pledge lien and security interest granted herein was approved by the Bank's Board of Directors and/or loan committee; that such approval is reflected in the Minutes thereof; and that a copy of this pledge and security Depository Agreement shall be maintained as an official record of the Bank.

11. The Agreement shall automatically continue in effect except upon thirty (30) days written notice of cancellation by one party to the other. The notices shall be served upon the parties at the addresses listed below. Delivery to a person authorized to receive notices or the mailing of the notice by registered mail or certified mail, return receipt requested, shall be sufficient service. For purposes of this paragraph, the address of the parties shall be:

(a) Office of the United States Trustee
Texaco Center
400 Poydras Street, Suite 2110
New Orleans, LA 70130

(b) (Name of Bank)

The Bank shall give notice to the account holder and the UST of the termination of the agreement with the UST and that it will no longer be an authorized depository. Within seven days of notice of termination the bank shall forward a list to the UST of all bankruptcy debtors and accounts and a list of those notified of the termination.

12. The following securities constitute those which are acceptable to the UST as collateral pledged to secure bankruptcy estate funds as stated in 31 U.S.C. § 9303:

(a) - U. S. Treasury Bonds

(b) - U. S. Treasury Notes

(c) - U. S. Treasury Bills

13. The depository avows and declares it is insured or guaranteed by the United States or by a department, agency or instrumentality of the United States or backed by the full faith credit of the United States of all funds up to and including \$100,000.

This agreement supersedes any and all depository agreements and/or pledge agreements heretofore entered into between the U. S. Trustee and Bank; provided, however, that any pledge of securities heretofore made by Bank to the U. S. Trustee pursuant to any such earlier agreements shall continue in full force and effect. The rights of the parties with respect to the pledged collateral shall be governed by this agreement from and after the date hereof.

The parties witness by their respective officers this agreement to be effective on

_____.

For _____
(Name of Financial Institution)

(Address)

(Telephone Number)

BY: _____
(Person to Contact)

NAME AND TITLE: _____ DATE: _____
(Bank Officer)

(Notary Public)

Copy of Corporate Resolution Authorizing Agreement and
Authorizing Signatory to Bind Applicant must be attached.

FOR THE OFFICE OF THE UNITED STATES TRUSTEE:

UNITED STATES TRUSTEE

NAME AND TITLE: **R. MICHAEL BOLEN** _____ DATE: _____
United States Trustee

VERIFICATION OF FDIC INSURANCE

DATE: _____

DEPOSITORY: _____

ADDRESS: _____

The certification number assigned by the Federal Deposit Insurance Corporation (FDIC) to the depository named above is:

FDIC Cert. No.: _____

This certification number is being provided to the United States Trustee by the depository named above to enable the United States Trustee to obtain from the Federal Reserve Bank certain information regarding the securities deposited by this depository with the Federal Reserve Bank pursuant to the Depository Pledge Agreement executed and delivered to the United States Trustee as of _____, 20__.

By: _____
R. MICHAEL BOLEN

Title: United States Trustee

(ATTACHMENT #2)

There will be three offices of the United States Trustee which will service the federal judicial districts shown below:

Eastern and Middle District of Louisiana:

Office of the United States Trustee
Texaco Center, Suite 2110
400 Poydras Street
New Orleans, Louisiana 70130
Telephone: (504) 589-4018

Western District of Louisiana:

Office of the United States Trustee
300 Fannin Street, Suite 3196
Shreveport, Louisiana 71101
Telephone: (318) 676-3456

Northern and Southern Districts of Mississippi:

Office of the United States Trustee
Dr. A. H. McCoy Federal Building
100 W. Capitol Street, Room 706
Jackson, Mississippi 39269
Telephone: (601) 965-5241

A depository is required to pledge securities for estate funds on deposit which exceed \$100,000 to the applicable following accounts at a Federal Reserve Bank:

UNITED STATES TRUSTEE, Region V - Eastern District of LA
UNITED STATES TRUSTEE, Region V - Middle District of LA
UNITED STATES TRUSTEE, Region V - Western District of LA
UNITED STATES TRUSTEE, Region V - Northern District of MS
UNITED STATES TRUSTEE, Region V - Southern District of MS